THE VICE-CHAIRMAN (SHRIMATI SUSHMA SWARAJ): You can complete within two minutes?

SHRI MISA R. GANESAN: Yes, Madam.

THE VICE-CHAIRMAN (SHRIMATI SUSHMA SWARAJ): I think, the House should permit him. Okay, you finish within two minutes.

SHRI MISA R. GANESAN: Thank you, Madam.

Madam, effective steps have to be taken to bring down the prices of certain commodities like the edible oils. As per the projections of the Planning Commission, the requirement of edible oils during the year 1990-91 was estimated at 60.26 lakh tonnes. As against this, the estimated net supply of edible oils from domestic source was only 54 lakh tonnes. Then, how can the gap be met? The answer is only through imports. But imports could not be arranged beyond 1.5 lakh tonnes because of the foreign exchange crunch.

Madam, to stabilise the wholesale prices of oils within the upper and lower price band limits, and to improve their availability in the country, the only way is to buffer stock the edible oils in the surplus years.

In the distribution of essential commodities, consumer cooperatives should be called upon to play a greater role. Since these co-operatives exercise a healthy influence on the market price of essential commodities of mass consumption by adopting fair trade practices, this could be the best instrument to supply the essential commodities in rural areas. Madam, I urge upon the Central Government to give adequate financial assistance to the co-operative movement for the development of consumer co-operatives in urban areas for their sponsored schemes.

Madam, the Government has to generate awareness in consumers about their rights and how to exercise them. I suggest that exhibitions and seminars have to be conducted periodically throughout the country to provide information to consumers about various measures available to them to protect their rights against the evils of adulteration, short and other unfair trade practices, and quick, simple, and inexpensive legal remedies available under the Consumers Protection Act. The Central Government has to issue necessary orders, Madam, to those States and Union Territories which have not yet set up the Consumer Protection Councils.

Before concluding, Madam, I want to stress that to prevent abuses in the system, strict supervision is to be exercised by the Vigilance Committees to be set up for the purpose. These Committees consisting of beneficiaries and the voluntary organisations have to monitor the actual receipt and distribution of foodgrains by the individual fair price shops. Bogus ration cards must be eliminated. Madam, in time, additional commodities such as tea, salt, pulses and soap are also to be distributed through the PDS.

Madam, my suggestions to the hon. Minister are involvement of local beneficiaries, including women, local MPs and MLAs in the Vigilance Committees, building of more godowns nearer to a cluster of fair price shops, provision of transport and credit facility to the agencies operating the PDS which would definitely help the poor in less endowed rural and remote areas. Thank you, Madam.

HALF-AN-HOUR DISCUSSION

Points arising out of answer to Unstarred Question No. 114 given on 28th April, 1992 regarding 'regular operation of auction platforms of tobacco'

THE VICE-CHAIRMAN (SHRIMATI SUSHMA SWARAJ): Now we will take up Half-an-hour Discussion.

[Shrimati Sushma Swaraj]

Dr. Y. Sivaji to raise a discussion on points arising out of the answer given in the Rajya Sabha on the 28th April, 1992 to Unstarred Question No. 114 regarding 'Regular operation of auction platform of tobacco'.

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI KAMALUDDIN AHMED): Madam, can I leave?

THE VICE-CHAIRMAN (SHRI MATI SUSHMA SWARAJ): I think Mr. Minister, you should remain because we do not know how much time this Half-an-hour Discussion will take. We will be in a position to take a decision only after this is over. I don't how much time this will take.

DR. YELAMANCHILI SIVAJI (Andhra Pradesh): Mr. Minister, you can also contribute in the discussion because tobacco is grown in your constituency also.

उपसभाध्यक्ष (श्रीमती सुषमा स्वराज) : तो आप रुकिए, आप चर्चा का आनन्द लीजिए । दूसरी चर्चा का भी आनन्द लीजिए, आप को नोट्स नहीं लेने पड़ेंगे। आराम से इत्मीनान से चर्चा सुनिए ।

DR. YELAMANCHILI SIVAJI: Madam, the FCV tobacco or the Virginia tobacco is a very important cash crop contributing more than Rs. 2600 crores in the form of Central excise to the exchequer and more than Rs. 300 crores in foreign exchange to the Government. Madam, 85 per cent of it is produced in Andhra Pradesh, spread over nine districts, including Warangal from where Mr. Kamaluddin Ahmed has been elected as the representative of the growers, and now he is busy collecting his papers to walk out of the House.

Madam, this tobacco is exported to 53 countries in the world. About 75 ped cent of it is being consumed by the local cigarette manufacturers in the country like the Imperial Tobacco Company, ITC, Golden Tobacco Godfrey Philips, Vazir Sultan, etc. During last year, the total production was 89,000 metric tons whereby the farmers could get a reasonable price for their produce, ranging from Rs. 34 to Rs. 48 per Kg. Here I may be allowed to add that tobacco crop is not an ordinary crop like other crops. It is a regulatory crop; it is being regulated by the Government of India with their arm of the Tobacco Board of the Commerce Ministry. If any grower wants to grow tobacco, he has to seek permission and licence from the Tobacco Board. As in the case of other crops like wheat or rice or pulses, a farmer cannot just go to the farm and sow the tobacco seeds. It is a regulated crop. Now, since the tobacco to the tune of only 89,000 metric tons was produced during last year, the farmers could get a reasonable price for their produce.

[The Vice-Chairman (Shri Bhaskar Annaji Masodkar) in the Chair]

This year, the Tobacco Board compelled and pressurised the Government to see that production goes up. So, the Tobacco Board gave licences left and right and they enhanced the production to the tune of 1,24,800 metric tons. The Tobacco Board says, and so also the Government of India, that they calculated the demand position and as per the demand, they have enhanced the production. They also added that they projected this figure on the basis that there is demand from English merchants to the tune of 63,000 metric tons. So far they contracted only for 9000 metric tons. The USSR was the major importer of Indian tobacco so far. uring last year, exports to the USSR were to the tune of only 13,600 metric tonnes. So, taking all these figures into account, the Tobacco Board said that there was enough demand to secure better prices for the grower and to ensure higher production. Ultimately, the

production was fixed at 1,24,800 metric tonnes. Mr. Chidambaram, the hon. Minister for Commerce visited Guntur on 26th December and addressed the tobacco growers at Guntur. In the course of his speech he assured the farmers that he would see that farmers would get a better price than last year and that they would get equal price, on par with their counterparts in Karnataka. He also added that all the export orders would be finalised by the time auction platforms were opened and he further stressed that he would visit Andhra Pradesh once again sometime during February to see how far his promises were fulfilled or executed. He went on record. This was on the 26th December, 1991, in the premises of the Tobacco Board itself, where he addressed the tobacco growers. The auction platforms were opened on 20th February. But none of the promises of the hon. Minister was fulfilled. Meanwhile, the cost of production went up by 50 per cent. This is because of the Government. This is the making of the Government itself. It is none of the fault of the growers. By enhancing the prices of fertilisers, by hiking the administered price of coal, by imposing additional levy on diesel as well as on power, it is the Government which has contributed to the increase in the cost of production. Then, Government, in their wisdom, was good enough to enhance the minimum export price, with a view that it percolates to the lower level, to the growers. The minimum export price was enhanced by 50 per cent. We felt that the Government was good enough to have increased the minimum export price. Therefore, we expected that this would percolate to the growers. But nothing of that kind happened. None of the promises of the hon. Minister was fulfilled.

There is a protocol between the Russian Republics and India. Mr. Chidambaram said on the 26th December, 1991, that even though U.S.S.R. was no more there, they continue to consume Indian tobacco, they continue to enjoy our cigarettes. He said: "Azerbaijan is there; Ukraine is there; Byelo Russia other Republics are there; they still continue to consume our tobacco". There were his words. He further added that the Prime Minister of India was negotiating with his counterpart of China in regard to export of tobacco. But none of these things has materialised. As per the Protocol, the Russian Republics offered to import 25,000 tonnes of tobacco from India.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Dr. Sivaji, please conclude.

DR. YELAMANCHILI SIVAJI: I am concluding. It is a burning issue.

SHRI P. UPENDRA (Andhra Pradesh): He is burning the tobacco.

DR. YELAMANCHILI SIVAJI: Ultimely, it was contracted only for 15,000 tonnes.

As I said, the auction platforms were opened on 20th February. Then, the prices went down . Between fifth and the tenth week, the prices went down steeply. Therefore, the farmers had to resort to direct action. They resorted to *rail roko*. They resorted to *rasta roko*. They laid seige the Tobacco Board office. Continuously for ten-twelve days, they cooked their food there. hey gathered in their thousands and lived on the premises of the Tobacco Board. They laid seige to the office. The Government of India, the Government of Andhra Pradesh, tried their level best to open the auction platforms on 26th April, at gun point. Nobody could bring their produce to the platforms. All the farmers, in toto, boycotted the auction. Therefore, the Government could not do anything. On 29th April the Government reached an agreement with the agitators, to withdraw the agitation. There were three-four conditions for withdrawal of the agitation. These were:

[Dr. Yelamanchili Sivaji]

Minimum prices were fixed by the Tobacco Board, negotiating with the farmers, traders, as well as the Government. The Minister announced it in the lower House. This was also announced in the public, in the media. Minimum prices were fixed for the ten grades of tobacco, F. 1 to F. 10.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Dr. Sivaji, please conclude.

DR. YELAMANCHILI SIVAJI: The hon. Minister also promised that he would press the STC into action to stabilise the prices. But so far, the STC has not been pressed into action. On the other hand, on 29th April, the Tobacco Board issued a circular stating that the minimum prices were operative only for four grades, leaving aside the other six grades. The circular further added that a separate circular in regard to STC operations was being issued. But so far, no circular has been issued in regard to the operations by the STC. One of the points of the agreement at that time was, if the bale was not bidded by the traders, it would automatically be transferred to the STC account by the tobacco auction team. But nothing is being done. Without doing so, they find it convenient to downgrade the tobacco. If it is F.1., they grade it as 'mixed', or, they make certain remarks about the tobacco. They write on the bale that the tobacco contained therein is pale, white, bleached, saline, etc., so that there is no obligation on their part.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Have you completed?

DR. YELAMANCHILI SIVAJI: No, no, Sir. I thought you cannot do multifarious activities at a time.

What I want to say is that the points of agreement were not honoured they were observed more in the breach. The Tobacco Board and the Commerce Ministry were not serious to honour the agreement. So, the farmers are left to the mercy of the traders. The Prime Minister was good enough to advise the Commerce Ministry to see thet sufficient amount was earmarked out of the technical credit for purchase of tobacco from Russia. Even that is not properly monitored, I believe. Under the circumstances, we approached the highest executive authority of the country, the Prime Minister. An all-party team led by the Speaker of Andhra Pradesh Assembly met the Prime Minister a night before. The PCC President, Parliamentarians, Members of Andhra Pradesh Assembly, Members of the all-party Action Committee, were present. The Prime Minister was kind enough to spend more than 80 minutes with the team. Mr. Chidambaram was also present with his officials. I do not know why Shri Salman Khursheed was not present and also I do not know whether Shri Chidambaram has communicated the decisions to him or not because the next morning he left for Zurich. Did he communicate the decisions to you?

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): He will be speaking after you. Why are you impatient?

DR. YELAMANCHILI SIVAJI: I am glad. The other point is, our trade relations with China remained suspended since 1962. In 1981 the Chinese came here to purchase tobacco in a big way. They purchased 28000 metric tons of tobacco. Had it been continued, there would not have been any problem for the tobacco growers, but it was suspended once again. Our Prime Minister talked to the Chinese Prime Minister. In spite of the best efforts, it could not material. The two Prime Ministers could come to a conclusion when issues like nuclear non-proliferation were involved, but in this case they could not come to a settlement. I would like to know, what are the reasons?

Sir, we exhibited certain slips to the Prime Minister. As per the agreement, F3 grade tobacco is supposed to be fetching a minimum price of Rs. 26.50 per k.g., but our farmer brought a slip stating that F3 grade bale was priced only at Rs, 22.50 per k.g. These are the things that are going on. Then, Sir, the Commerce Ministry and the Tobacco Board know that a kg. of tobacco yields 1250 cigarettes. We have never imported tobacco. We are exporting to 53 countries, but never have we imported even a single k.g. of tobacco. At the same time, we are producing the best quality of cigarettes in the world. For your information, 'India Kings' cigarette has been adjudged as the best cigarette in the world for three consecutive years and awarded prize for best packing and quality.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Smokers alone can tell this.

SHRI KAMALUDDIN AHMED: I can vouchsafe because I have used it. I certify that.

DR. YELAMANCHILI SIVAJI: That cigarette costs about Rs. 34 for 20 pieces. A kilogram of tobacco, as per the statistics, yields 1250 cigarettes and 1250 cigarettes of 'India King' fetch Rs. 2150. There is nothing in the cigarette excepting tobacco. It is threshed into pieces and packed in a small piece of paper and filtered.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): We are only on the clarifications.

SHRI KAMALUDDIN AHMED: He should take it up with the manufacturers.

DR. YELAMANCHILI SIVAJI: F-1 is priced at Rs. 31/- but even those Rs. 31 are not being paid by the trade. And the cigarettes produced with one kg. of tobacco cost Rs. 2,125. So, the share of the farmer or the raw material supplier is only Rs. 31 as per the record of the Tobacco Board.

Sir, with your permission I may exhibit....

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Cigarettes?

DR. YELAMANCHILI SIVAJI: ... a kg. of tobacco. This is a kg. of tobacco.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Then so many people would want it! ... *(Interruptions)* ...

DR. YELAMANCHILI SIVAJI: A kg. of tobacco costs Rs. 31 whereas...

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Now let us listen to the Minister.

DR. YELAMANCHILI SIVAJI: ... a kg. of tobacco, in the form of **India Kings** cigarettes, costs Rs. 2,125. But the share of the farmer is only Rs. 31. The entire amount is being swindled by the Government as well as the cigarette manufacturers, advertisement agencies, etc., etc., but the farmer is not being given his due share. So I would like to know from the Minister as to what steps the Government proposes to take to enhance the share of the poor farmer who is contributing Rs. 2,600 crores to the Exchequer in the form of excise duty as well as Rs. 350 crores in the form of foreign exchange. These are the points that are to be clarified by the Minister.

The Minister, in the course of his reply to Question No. 114 on the 28th of last month said, "Taking note of the resentment of the tobacco growers, the Government advised the Tobacco Board immediately hold an emergency meeting of the Board to take stock of the situation and to take remedial measures." The Tobacco Board had convened an emergency meeting, and

[DR. YELAMANCHILI SIVAJI.]

Mr. Patel was also present and participated in the meeting of 23rd April, and the Tobacco Board resolved unanimously and appealed to the Government to corner at least 15,000 metric tonnes through the Tobacco Board. The Minister says "the Tobacco Board can operate, it is an independent body; it is not my headache; they can do it." But the Tobacco Board Act says that they have to be permitted by the Government even though they resolve unanimously. This is the position. And the Tobacco Board has also added in the resolution...

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Let us listen to the Minister now.

DR. YELAMANCHILI SIVAJI:... that at least Rs. 50 crores may be reserved out of the Rs. 2,600 crores as revolving fund. Wnenever there is a slump in the market, the Tobacco Board can operate that revolving fund and see that the farmers are not subjected to the mercy of the traders. But nothing has been done by the Government. I don't know what is transpiring between the Government and the traders.

SHRI P.UPENDRA: He will first speak and then the Minister will reply or what?

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): No, he has to be replied first.

SHRI VITHALRAO MADHAVRAO JADHAV (Maharashtra): Sir, point of order. When all the Members seek all their clarifications, then the Minister will reply.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): No, that is not the procedure. He raises the discussion first and then the Minister replies. Then the question is open before the House. Now, Dr. Sivaji, please conclude. You have already taken 23 minutes. It is Half-an-Hour Discussion.

DR. YELAMANCHILI SIVAJI: I am concluding, Sir. Sir, we had an agitation for 10, 12 days—and Mr. Patel was also a witness to it. We conducted that agitation in a most non-violent and peaceful manner, without upsetting normal public life. We cooked food in the Tobacco Board office itself and we had community dinner and lunch along with the Tobacco Board officials. The Board officials were very cooperative. At least, the Government should permit the Tobacco Board to operate on the tobacco auction platforms, as resolved by the decision of the Tobacco Board taken in their meeting on 23rd April. As far as the Government is concerned, I would like to add that he need not honour the Tobacco Board, he need not honour the Members, but at least he should honour the words of the Prime Minister. Thank you.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Let him say whatever he wants to say. Yes, hon. Minister. Now let us be brief because our time has been smoked out.

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED): Sir, indeed it will be a pleasure for me to be brief. The hon. Member has made a general survey of the functions of the Tobacco Board and the functions of the Ministry of Commerce as far as supporting prices and giving remunerative prices to tobacco growers are concerned. The hon. Member has, at least twice, mentioned that the hon. Prime Minister was gracious enough to receive a delegation af tobacco growers recently and that the Commerce Minister was present at that meeting. The Commerce Minister, unfortunately, is not here today because of a programme he is attending abroad. But the Commerce Minister has briefed me fully about what had transpired. We stand committed. Whatever instruction and desire there is from the Prime Minister, there is no question tnat the Government or

the Commerce Minister would even shirk it by an inch. The only problem to which I would invite the hon. Member's attention, is the fact that it is not due to our want of trying that we are in the position today that the hon. Member has to raise this discussion. It is, in fact, despite our trying that the hon. Members still have certain concerns. We share the concern of the grower, we share the concern of the industry, but we are in a sense constrained by two or three major factors, and I would like to put those major factors before the House.

One major factor that we are at present constrained by, is the fact that there have been fluctuations and there have been disturbances in a very major market of ours. It is the former Soviet Union market. There was, in this protocol, an agreement that the Russian Government would pick up 25,000 tonnes, of which only 15,000 tonnes have been contracted. If the entire 25,000 tonnes which were stipulated in the protocol had been contracted, I imagine that the trouble of the prices falling would not have arisen in the first place. Understandably, the Russians at their end have to ensure that they have the purchasing power and they have to ensure that they have the arrangement to come and contract for the balance of 10,000 tonnes. We are persuading them virtually every day and every night that they ought to come and pick up and contract for the balance of 10,000 tonnes. To solve the problem hat they have of non-availability of finance, in view of he assurance of the Prime Minister, in view of the concern of the Commerce Minister, it has now been agreed hat Rs. 285 crores would be released immediately as further technical credit for seasonable commodities which include large purchase of tobacco. The Russians would certainly have funds available now, and that would, I think, provide a great deal of relief to our growers in Andhra Pradesh.

The second factor which unfortunately we have to consider to be a constraint that we cannot really grapple with, is the constraint of availability of finance for intervention. The meeting of the Tobacco Board that took place on the 23rd April, 1992, resolved two-fold:

Firstly to propose to the Government of India to permit the Tobacco Board and the STC to purchase up to 15,000 tonnes at the prices to be arrived at by working back from the MEP which is the minimum export-price. To purchase the above quantity, the Government of India may be requested to grant an interest-free revolving fund of Rs. 50 crores to the Tobocco Board and the STC.

Sir, this House, more than onyone else, understands the financial constraints under which we are working, and if Rs. 50 crores were available to us, we would very willingly pump it into the STC or give it to the Tobacco Board. This is a matter which is beyond the Ministry of Commerce and certainly beyond my ken to give any assurance on.

Secondly, it was resolved to request the Government to set apart a certain portion of Rs. 850 crores of technical credit given to the Russian Federation by the Government of India for purchasing the balance of 10,000 tonnes of tobacco assigned in the protocol. As I have just said, Sir, that has already been done. Rs. 285 crores of technical credit has already been made available.

Sir, at the very outset I would like to point out that the representation that was given by the hon. Member along with the delegation that accompanied the hon. Member to see the Prime Minister, in fact, reiterates the supposed promises and assurances that have been given by the Commerce Minister. I am somewhat at a disadvantage to speak of any promises or assurances that may have been seen or heard to have been given

[Shri Salman Khursheed]

when he last visited Guntur. I can only say that the Commerce Minister is a person who is very circumspect in the words that he speaks, and I would imagine that with his knowledge both of the prices and the system of growing of tobacco he would not have promised that the prices that would be available in Andhra Pradesh would be at par with the prices available in Karnataka, knowing that in Karnataka for the light-soiled tobacco the prices have, consistently over the past three to five years, been higher than the prices that have been available in Andhra Pradesh. In fact, even in saying that prices that would be ensured this year would be higher prices of previous year, would be a statement that I believe was unlikely to have been made by the Commerce Minister for the simple reason...

DR. YELAMANCHILI SIVAJI: He went on record.

SHRI VITHALBHAI M. PATEL (*Gujarat*): I was here. He did not make any such commitment. (*Interruptions*)

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Let the Minister reply.

SHRI SALMAN KHURSHEED: ... that last year was an unusually good year for prices of tobacco in Andhra Pradesh. The prices had been hovering in the year before at around Rs. 14 to Rs. 16, whereas last year very good prices at around Rs. 33 were, in fact, obtained in Andhra Pradesh. Therefore, for anyone to have predicted that prices even better than such boom prices would be available in 1992, I think, would have been unlikely. In any case the Commerce Minister, very carefully on several occasions while answering questions in both Houses as well as in answering a Call Attention on the same subject, assiduously had kept away from making any such assurances. I would request the hon. Member, whatever his personal relations are with the Commerce Minister and whatever may have transpired locally, certainly since no assurance has been made on record in the House which we have gone back on, to withdraw the not very serious, light-hearted charge, that the Commerce Minister has not stood by his promise. I will certainly say that he promised that he will visit Guntur in February, 1992. I think he has not visited there. I am prepared to make good that loss. But in February, 1992 perhaps auctions were not underway because we started auctions two weeks later simply because the protocol with Russia had not been signed. If the hon. Member is prepared to give me a gracious welcome in Guntur, I promise to make good whatever lack of communication had taken place in February, 1992.

As far as the meeting of 23rd April is concerned, an effort has been made. Although no specific assurances were provided, the agitation was called off on 29th April, 1992, auction having broken from 14th April to 1st May. On 2nd May the auction had begun again. Although no specific assurance has been given, an understanding has been reached between traders and growers and traders have agreed to maintain the average price for the following grades of both black soils and SLS put together till the end of the season. They vary from F-1 Grade at Rs. 32.50 down to F-10 Grade Rs. 10. An understanding was also reached between traders and growers under the auspices of the Board for the minimum starting prices for four grades which contribute to about 75 per cent of the total production that there would be a minimum starting price for F-1 at Rs. 31, F-2 and F-6 at Rs. 30 and F-3 at Rs. 26.50. As far as STC is concerned, we would certainly want to go further and instruct STC to be of help, but, as I said, there is a serious financial constraint and unless prices fall below the

prices that have been agreed upon at the traders-growers arrangement, it would be difficult to expect STC to intervene in a very large way. About the small amount of 240 tonnes that the STC has to pick up for the contract; certainly it would make its maximum effort to pick it up. In view of that I would only say that despite the fact that this year in the 13th week of our auctioning, there is a fall in average prices from last year. We are prepared to concede that. We are concerned that it has fallen but we are trying to do our utmost on three fronts. One, to ensure that if any money is available, we will help you. Now that the Russians have come in, credit is available to purchase. Two, to ensure that the trader-growers agreement is upheld in letter and spirit. In view of this background I can only say that I share the concern of the hon. Member and we would continue to make whatever effort and endeavour is rquired to ensure that the hon. Member's demands are met and will also try to ensure that the people he represents do not feel the pinch of low prices in tobacco.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Honourable Members, I don't think we have time. Since this is half-an-hour discussion, we have already exhausted half-an-hour... (*Interruptions*)... What I would request you is that if you have got any query on the statement made by the Minister, you may ask.

उपेन्द्र जी, आपको कुछ पूछना है ? खाली क्वैरी पूछिए ।

SHRI MOTURU HANUMANTHA RAO (Andhra Pradesh): We have given our names. I want to speak.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Okay, I will call you.

SHRI P. UPENDRA: We will take two or three minutes each because we are concerned about the issue. You know that half-an-hour discussion will never be a half-an-hour discussion.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): But that is the concept of half-an-hour discussion.

SHRI P. UPENDRA: That is all right. Particularly after Dr. Sivaji has spoken, there is nothing much left for me to speak because he is an expert on tobacco.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): You just ask the questions.

SHRI P. UPENDRA: The Minister has just now mentioned about the better price last year which the farmers got. But it is also a fact that traders also got a better price of Rs. 39 last year. They got it through exporters. This year, I believe, due to the exchange rate, they got about Rs. 60. Correspondingly, the farmers have not got the benefit. That point he should clarify.

Secondly, the crux of the matter is the commitment made by the Ministry not being fulfilled. That is one thing. There is a communication gap between what you are saying here or before the Prime Minister and what is happening in the field. Dr. Sivaji mentioned about the higher grade tobacco being graded low and even the price fixed for that particular grade also not being paid. He has produced that sample. We have shown it to the Prime Minister also. What is the mechanism you have invented to stop that? What is the Tobacco Board doing about that? What is the role of the STC as a stabilising agent? There was a firm commitment before the Prime Minister, when we met him, that whatever low bid bales are there, if they are not purchased the same day or the next day by evening, if they are still lying unsold, STC will buy them. The Minister has not mentioned this point. He should have

[Shri P. Upendra]

reiterated that commitment that low bid bales will be purchased the next day by evening by the STC. The STC also should have an arrangement to dispose of the stocks also. That is one difficulty they will face.

Thirdly, he mentioned about the Russian protocol and about Rs. 285 crores being made available as a technical credit. How much is apportioned for tobacco? Because you have covered four commodities tobacco, tea, coffee and spices under the Rs. 285 crores technical credit. But how much out of Rs. 285 crores is earmarked for tobacco?

Fourthly, a crisis is coming because there is no fixed prior production planning. Sometimes they say that so many million Kgs. of tobacco will be needed for internal market and for external market. There are no fixed guidelines for the farmers about the cultivation of tobacco. There must be advanced planning in regard to the production target. The farmers should be told in advance how much tobacco will be required for internal market as well as external market and how much they should grow next year That should be announced well in advance.

Fifthly, regarding constitution of the Tobacco Board, it must have more farmer representatives than officials so that they can understand the problems of the farmers. There are different types of tobacco growers. All of them should get representation in the Board.

These are the points, I think, you should consider.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Mr. Hanumantha Rao, please put questions only. No discussion.

SHRI MOTURU HANUMANTHA RAO: No questions, please. Let me speak. I have given my name.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): It is not a discussion.

SHRI MOTURU HANUMANTHA RAO: We must be allowed to speak. You cannot pressurise me to put only questions.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): You know the procedure. Dr. Sivaji raised the discussion. Now you have to ask questions.

SHRI MOTURU HANUMANTHA RAO: When an all-party delegation met the Prime Minister, the Commerce Minister was also present there and certain things were clinched there. Those things are to be implemented. I do not know whether they are going to be implemented by the Tobacco Board or the State Trading Corporation. That point is not cleared by our hon. Minister. Dr. Sivaji has raised so many points but the reply given by the hon. Minister is not satisfactory. The Minister should clarify what are the points clinched in the negotiations or in the deputation that went and how far they are going to be implemented. There are two main points. One is regarding the no-bid tobacco. The point raised in this connection was that it should be kept pending till the next day; and, if there was no bid even on the next day, the State Trading Corporation should take it into its account. It should purchase it. The second thing that is worrying the growers is, even according to the latest assessment, certain low grades of tobacco would still be lying without being purchased; 15,000 to 20,000 tonnes might be there. It would be wasted unless somebody comes into the market. So, the State Trading Corporation has to take responsibility for buying that also. The hon. Minister has to clarify whether they are going to do these things also.

Sir, Andhra Pradesh takes the pride of place in the production of tobacco

because it yields Rs. 26,000 crores of excise duty and Rs. 200 to 300 crores of foreign exchange. But it also becomes a land of sorrow whenever distressing prices are there. At the time of plantation, everybody would come and say, "You grow more. We can earn more exchange and we can also get more excise duty." They would encourage us by saying that we can export and all that. In December, they encourage us; in May, the growers are found in distress; and they do not show the same concern. Why does it happen like this? The Tobacco Board is there; the Cotton Corporation is there; and the Chamber of Commerce is there. The Chamber of Commerce is so much concerned about the individual interests of all capitalists. Why does the Tobacco Board not have the same interest? Why does it not protect the interests of the growers whenever such distressing things happen? So also is the Cotton Corporation. Why are these things happening? They must explain to the country. The question is, the growers cannot be.....

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Please conclude now.

SHRI MOTURU HANUMANTHA RAO: .... thrown into such distressing positions. Our hon. Minister says that the average price would be better. Last year, it was better than before and this year, it may be the same as last year. But we are not quite sure of it. Why is this bargaining position taken? The prices are going up every day. They have doubled and trebled. So far as the growers are concerned, the cost-price for every acre has gone up so much that they cannot afford to sell tobacco at the same rate or even at the double rate that is now existing according to him. So, serious concerns must be expressed. It is not enough to state that we are also expressing our concern for the growers. When you express your concern for the growers, hundreds of crores of rupees are being looted elsewhere. According to the recommendation of the Tobacco Board, Rs. 350 crores is to be allotted for purchasing the tobacco that is there in the market and to see that proper sales of tobacco take place. Without doing all these things, there is no use expressing simple concern. That is why I am so concerned about it. I want particularly that the Minister should clarify what the terms that now operate are, what the terms that are being implemented now are, after the delegation went and saw the Prime Minister.

SHRI S. VIDUTHALAI VIRUMBI (Tamil Nadu): Sir, as far as tobacco produce is concerned, we are the fourth largest country in the world. And we are the eighth largest exporter in the world. The share of South India in the total production is 46.8 per cent out of which the quantity of tobacco produced in Andhra Pradesh amounts to 37.4 per cent. 85000 farmers are dependent on this. During the harvesting, processing and trading period, more than five million people are depending on this. How does the Government propose to remedy the situation? That is the problem. Actually, from 1980-81 to 1987-88, our average export has been 79.20 million kgs. (*Time bell rings*). I am coming to the point. The main problem is, our productivity per hectare is 1100 kgs. while in Brazil it is 2500 kgs per hectare and in Zimbabwe, it is 2000 kgs per hectare. Now, I want to submit one thing. Russia had signed a protocol with India for purchasing more than 25,000 tonnes of tobacco but now the Planning Commission of Russia has agreed to buy only 15,000 tonnes. This is one problem. Secondly, more than Rs. 13,000 crores or 5 billion American dollars are held up in the tobacco trade. This is the second problem and the manufacturers are reluctant to buy tobacco from the tobacco-producing countries. The position in India is that only one-third of the produce is purchased by the Government. Two-thirds of the pro-

[Shri Viduthalai Virumbi]

duce is lying with the farmers. This has also created a problem. We are told that a sum of Rs. 129 crores is going to be financed by the Nationalised Banks but the traders and exporters have sought financial assistance to the tune of Rs. 300 crores. I want to know whether the Government would ask the Banks to release Rs. 300 crores to see that the produce is purchased by the STC. The STC should either buy or give some sort of credit to the exporters. Then I want to know from the Government what the Government has done to make the tobacco price more competitive and to enter into hitherto unknown markets and what they have done to promote exports. With these words, I conclude.

SHRI VITHALRAO MADHAVRAO JADHAV: Sir, I would like to ask a few pointed questions.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): So far, they were pointless?

SHRI VITHALRAO MADHAVRAO JADHAV: What is the remunerative price per kg of tobacco given to the farmers? At what price one kg of tobacco is exported? What is the amount of foreign exchange earned by the Indian Tobacco Board? Which improved variety of tobacco is used for cultivation and what is the average yield per acre? What is the total number of tobacco growers in the country and what acreage of land is under tobacco cultivation? What is the scope for increasing the yield of tobacco per acre? What is the quantity of tobacco exported, how much of it is utilised indigenously for beedi and cigarette making purpose? Is there any other country except Soviet Union to purchase our tobacco? What about other markets abroad? Will you please start the Tobacco Monopoly Purchase Scheme which has been started by Maharashtra with certain minimum price just to give security to the farmers? Rs. 30/- per kg. is a very low price. Are you going to increase it? These are the pointed questions.

SHRI VITHALBHAI M. PATEL: Mr. Vice-Chairman, Sir, the problem is; last year Russia came into the market heavily and purchased whatever tobacco was available in the country including cigarettes. Last year, the farmers got a better price and all the quantity was sold. What happened this year? The Tobacco Board is asking the farmers to grow a particular quantity of tobacco. They are giving licences. Last year all the tobacco was sold. The farmers have grown twenty to twenty-five million kgs. more of tobacco. Then the quota was fixed. So the traders came to know that this is out of the Tobacco Board's quota-twenty to twenty-five million kgs. And this tobacco cannot be sold in auction. Only those growers who have got the licence can sell the tobacco in auction. The farmers will sell this tobacco at a low price to the traders. Unfortunately, the Ministry of Commerce has not given teeth to the Tobacco Board to punish those farmers who are purchasing tobacco outside the auction. They should give teeth to the Tobacco Board that they can file a case against such farmers. Presently the erring traders cannot be punished by the Tobacco Board. So this type of thing is happening and sometimes the farmers have to suffer because of it. There is a competition from Zimbabwe and other countries. Their quality is better and their prices are cheaper. Here, there is only a difference of two or three rupees between the demand of the grower and the offer of the trader. I have told my friend, Sivaji, in Guntur itself; "Don't politicise this agitation it is not in the interest of the farmers. By this agitation we cannot bring traders to terms and Russia will have to purchase it tomorrow, if not today, because they don't have the hard currency now." The Russian traders

have gone to the Tobacco Board and have said, "We are prepared to purchase whatever tobacco you give us, but give us on credit."

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): What is the query?

SHRI VITHALBHAI M. PATEL: If the Government of India can provide them enough credit they are prepared to purchase it and the farmers will get benefit. That is the only remedy.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Shri Giri Prasad. Only questions, please.

SHRI N. GIRI PRASAD (Andhra Pradesh): Sir, I am sorry that the Tobacco Board Member has taken an anti-farmer attitude just now.....

SHRI VITHALBHAI M. PATEL: What is the anti-farmer attitude? I gave the facts.

SHRI N. GIRI PRASAD: He thinks. ... (*Interruptions*) ...

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): You confine yourself to your own questions.

SHRI N. GIRI PRASAD: The Andhra farmer who grows tobacco, according to him, is a thief. No tobacco grower grew his crop without the permission of the Tobacco Board. That he must understand. It is true that... (*Interruptions*) As a tobacco grower, I know more than you do as a Board Member. I know more than you. So you need not quarrel with me. The main point is this. Because of the good prices given last year, because of the encouragement given by the Commerce Minister and also the Tobacco Board, they grew more quantity, that is about 25 million kgs. Nowadays, even according to the market indications that I know, the whole quantity can be sold off, the only condition being, the Russians should fulfil their contract of purchasing 25000 tonnes. If they come forward into the market and lift the whole stock, there will be no glut of tobacco in Guntur. It will be just sufficient. Last year the demand and supply position was in favour of the peasants; that is true, but this year if the Russians buy the entire stock, it may no favour either the peasant or the trader.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): What is the question?

SHRI N. GIRI PRASAD: My question is this. For your information, I can tell you, Sir, I wrote a letter to Mr. Chidambaram on 3rd April, the day I took the oath here. Though this matter was discussed in Lok Sabha, in Rajya Sabha and elsewhere also, the matter was not clinched. What was the Government doing all these months or all these weeks to pressurise the Russians or to encourage them to enter the market? The so-called technical credit offered to the Russians is not only with reference to tobacco but to other commodities also. If that is so, I don't think that that credit will be sufficient to encourage the Russians to lift the contracted quantity of 25,000 tonnes. Unless they increase that money and they induce the Russians to come forward immediately, the market position will not be encouraging to the farmers. The Russians should come forward to buy all these 25,000 tonnes. So far they have lifted only 15,000 tonnes. I would like to know whether the Government is trying to pressurise the Russians to purchase that. Second point is offering technical credit for the extra quantities also. This technical credit, according to me, is not sufficient to meet the present requirements. The traders also have a problem. Since there is a large quantity of production this year the credit facilities are not sufficient to purchase the remaining stocks. According to Mr. Chidambaram, as he told us

[Shri N. Giri Prasad]

before the Prime Minister, 50 million kgs. are still lying with the farmers. That should be purchased. In order to encourage the traders and also to encourage the Russians to enter into the market more credit facilities should be given. Unless the Government takes this immediate step the position will not improve. Besides that the promise made by Mr. Chidambaram before all of us that the STC would be standing there to purchase the stocks, the price of which was fixed by the Tobacco Board, should be fulfilled. So, they should fulfil that commitment.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Shri V. Narayanasamy. You want to ask only one question. First you formulate your question, then ask.

SHRI V. NARAYANASAMY (Pondicherry): Sir, the problems of the farmers are manifold. The Tobacco Board fixes the target and the production is 1,25,000 tonnes. But the adverse conditions are there, the price crash, the wage increase etc. The farmers have to grow the crop two or three times in a year because of the prevailing conditions. The tobacco Board cannot simply say that the farmers should not produce more. That should not be the attitude. The Government should find out markets for the product. The Government has got the infrastructure and the machinery. (*Interruptions*).

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): What is your question?

SHRI V. NARAYANASAMY: I am to the question, Sir.

SHRI VITHALBHAI M. PATEL: Anti-tobacco campaign is there.

SHRI MOTURU HANUMANTHA RAO: You are elected as a member of the Tobacco Board by all of us. (*Interruptions*)

SHRI V. NARAYANASAMY: The anti-tobacco campaign is there, but the consumption is more. That the hon. Member should not forget. (*Interruptions*)

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): You are on the farmers, not on the Members. You speak on the farmers.

SHRI V. NARAYANASAMY: I am only telling the Member who is also there on the Board. They have to find out markets in East European countries as also in America and Russia. Now, the protocol has been signed. They are sending the consignments to the U.S.S.R. There are various republics in the U.S.S.R. where the consumption is more. You try to find out the markets so that you can give the benefit to the farmers. You are not doing your part of the job and you are blaming the farmers for producing more. I would like to know whether you are making sincere attempts to find out markets for the produce of the farmers. Now, 25,000 tonnes is the demand. You try to increase it and have contract with more republics. The STC and the Ministry should approach the republics of the U.S.S.R. to get more orders so that they can export more. That is what the Ministry has to do in collaboration with the exporters. Will the Minister do it or not?

SHRI SALMAN KHURSHEED: Sir, some very significant points have been raised which call for answers. Perhaps, I would not be able to express my serious concern sufficiently. I would reiterate that we are very seriously concerned and very seriously involved in providing, through whatever possible methods, further relief and remunerative prices to the growers.

7.00 P.M. Hon. Member, Mr. Narayanasamy, has recommended that we should look for other markets. Sir, the problem is, as far as Andhra Pradesh tobacco is concerned, it is traditonally exported only to the former Soviet Union. Therefore, the markets that have to be approached and looked for are only in the area of the former Soviet Union. We are, in fact, very vigorously pursuing the possibilities of exports to all the CIS countries, not only tobacco but other items also which we were exporting originally to the Soviet Union. If the hon. Member would persuade me to make a trip to any of the CIS countries, I would certainly oblige the hon. Member. But it would mean a greater strain on the exchequer. However, if the hon. Member would suggest that he should make such a trip, I would certainly recommend to Mr. Chidambaram that a delegation including the hon. Member should go to look for new markets. (*Interruptions*).

AN. HON. MEMBER: Only one Member.

SHRI SALMAN KHURSHEED: No, a delegation.

SHRI V. NARAYANASAMY: Let the hon. Minister go. We have all faith in the Minister. He will do better.

SHRI P. UPENDRA: Sir, it is not correct to suggest foreign trips and all that. We want to know what the Ministry is doing. (*Interruptions*).

DR. YELAMANCHILI SIVAJI: Sir, the Minister is taking it very lightly. He is not taking it seriously. There are many... (*Interruptions*)

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Let him reply.

DR. YELAMANCHILI SIVAJI: Sir, the Minister has said that the USSR is the only buyer. It is not so. Tobacco is exported to 53 countries. He is mentioning only 4 grades. The agreement was for 10 grades.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Let him reply.

DR. YELAMANCHILI SIVAJI: He is taking it very lightly. He is suggesting about foreign trips and all that. It is not fair. (*Interruptions*).

SHRI SALMAN KHURSHEED: Sir, the hon. Members have had a long, rough day. I thought, starting with a little amount of humour would have made the day lighter. As I said, the concern is very serious. The efforts we have made are very serious efforts and these efforts will continue. Now, I would like to highlight some of the aspects which are relevant to the concern of the hon. Members. Mr. Upendra has raised a very important question, whether the fall in prices has something to do with initial bad planning. If there is too much production due to initial bad planning, is that the reason which causes a fall in production? Sir, before I come to what is done by way of planning and what was done by way of planning for the target for this year, may I just bring to the notice of the House that according to the information available with us, the decline in price for this year has been caused due to a variety of factors. The important factors include higher production this year in some competing countries such as Brazil, Zimbabwe, Malawi, Argentina and Mexico. The Russians, as I said in the protocol who have to take 25000 tonnes have taken only 15000 tonnes. The U.K. merchants, who are amongst our major buyers, have been less active this year for the very reason that, as the hon. Member has pointed out, a lot of their money remains tied up with the CIS countries. Due to the recent currency devaluation in Zimbabwe the Indian tobacco in addition is facing a very stiff competition from that country as well. As far as China is concerned, China has been and should be a very major

[Shri Salman Khurshecd]

trading partner for us as far as tobacco is concerned. However, China has itself developed a very good export market. I was recenly in China for the ESCAP meeting. On the instructions of the Commerce Minister I took up the issue with China whether in addition to exporting tobacco that it does, it could still make use of the tobacco that we are producing. We are still pursuing it very very vigorously with China so that we have an additional market in China as well. The Board's concern for promotion of exports to the entire world, of course, remains a very major part of the work that the Board does. But as the House knows and the hon. Members present here—most of them are certainly better versed in the area of tobacco exports and tobacco growing than I am—know that a major part of the export trade of tobacco is through the cigarette companies, to Europe. And as I said, there has been a set-back in exports, on the front of cigarette companies, to Europe because of the fact that there has been, in fact, a lesser demand from them than we had originally expected. Shri Upendra also raised a question that better prices were given to the exporter and, therefore, why not better prices to the growers. We are not yet in a position to know what exactly the prices are as far as the exporter is concerned. As the returns come in, we will be in a position to say so. But since, as I said, the main export of the black-soil tobacco grown in Andhra Pradesh is to Russia, that will not be something that could be of a major help to us in that region. We have, in fact, raised the minimum export price and sometimes that gives the impression that since the minimum export price has been raised, there is no reason as to why the grower should not get a higher price for what he is growing. The minimum export price comes into play only if the exports have been made at a level lower than the minimum export price or the minimum export price as raised up to this year. Since the exports have largely been made at prices much higher than the minimum export price, the minimum export price rise has not been of any great additional help to the growers of tobacco.

Sir, planning is a very major part. Since it is a crop that has to be registered, planning is a very major part in view of the prices that can be seriously expected. Now what happened was the Board took stock of several situations existing at the beginning of the year and the Board, after discussing the various aspects in detail, considering the increase in the export demand for the previous year, increased requirements of domestic cigarette manufacturers, initially fixed the crop size at 120 million kgs. Even though the demand projected was 168 million kgs. the Board fixed 120 million kgs. Subsequent to the fixation of this initial production target at 120 million kgs., the Indian rupee was devalued in July, 1991. The exporters strongly recommended and pleaded, in fact, for a higher crop-size in the context of the Indian tobacco becoming more price-competitive, like many other items of agricultural products, on account of devaluation of the rupee. The domestic cigarette manufacturers reiterated their earlier demand of a higher crop size in the light of increased cigarette consumption by about 2 per cent which they expected and in the light of the fact that the inventories of the cigarette manufacturers had depleted. Taking this into account and the confirmed export orders already in hand, it was then suggested to increase the production target from 120 million kgs. to 145 million kgs. However, ultimately, the registration that took place was for 130 million kgs. which was granted to the growers and the total quantity of tobacco authorised for production was limited to 124.87 million kgs., very close to the original target of 120 million kgs. And, Sir, currently the production is expected, the crop is expected, to be only around 122 million kgs. Therefore, very scrupulously, very meticulously—in res-

ponse to all the elements on all the items that have to be taken into account for planning—originally, we started at 120 million kgs. and we have arrived at a figure of 122 million kgs. of actual production. Therefore, Sir, with great respect, I have to inform the House that we have not... (*Interruptions*)

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Let him conclude.

SHRI SALMAN KURSHEED: With great respect, I have to say that there has not been any waywardness in our planning. One aspect which is often being raised—when our economy begins to move more vigorously towards recognition of agriculture as a major thrust of the economy—is the availability of credit to the growers. And, Sir there has been in this country a general lack of availability of credit to the agricultural sector. So, for this purpose, the following steps have been taken:

Credit facilities have been extended to the exporters by the commercial banks at various levels and this is being taken up by the Board, pursued by the Board. The UCO Bank has agreed to finance the tobacco exporters to the tune of Rs. 100 crores and has already extended a credit to the extent of Rs. 50 crores.

The State Bank of India, the State Bank of Mysore and the State Bank of Hyderabad and the Andhra bank have also agreed to extend further credit.

Sir, the Members' demand that the STC also makes credit available is a demand which, I can see, has come deep from their hearts and their concern for the tobacco growers. The STC, in its present condition and in its present state of planning, is unable to provide credit. The STC is certainly an agency for intervention to provide remunerative prices as the Government permits. But we have to use the STC sparingly and we have to use the STC within the parameters of the policies, financial and fiscal, that the Government has decided and placed before this House.

Sir, a volley of questions came from my learned friend. I would plead that the volley of questions I can answer by way of written replies because they relate to various aspects of tobacco production, growth, exports, etc. and, therefore, I think that it would be more fruitful if I answer them in writting.

DR. YELAMANCHILI SIVAJI: Sir, there are certain missing links in this . My point is that an agreement was reached... (*Interruptions*)...

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): You see, we have to put an end to this discussion... (*Interruptions*).. If all of you put questions like this, what can be done?

SHRI P. UPENDRA: That is not the point, Sir. I do not blame the Minister because he was not present. But specifically certain things were agreed to before the Prime Minister and he does not touch upon them. One is about the STC's role and he does not touch upon that.

The second thing is that the Prime Minister specifically asked the Commerce Minister to depute a senior officer to meet the Tobacco Board so that the malpractices is grading are reduced. That also he has not dealt with.

DR. YELAMANCHILI SIVAJI: Unless something concrete comes out, the policy as made by the Prime Minister will be watered down and some other signal will go to the trade and to the tobacco growers. The Minister, it appears, is blowing hot and cold. The main thing was that on the 29th,....

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): It is not necessary to mention all the points.

DR. YELAMANCHILI SIVAJI: ... an agreement was reached on the minimum price for all the ten grades while the circular mentions only four grades. It was also agreed upon that all bids would automatically go to the STC.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Mr. Minister, you look into all these things.

DR. YELAMANCHILI SIVAJI: It was also agreed that the Tobacco Board would vigorously activate production and will see that sales will not take place outside the auction platform... (*Interruptions*) ...

SHRI MOTURU HANUMANTHA RAO: Sir, we have arrived at some understanding—you please hear me—in the presence of the Prime Minister.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): He will look into it.

SHRI MOTURU HANUMANTHA RAO: That needs to be carried out in practice. What instructions have you given in that regard?

SHRI SALMAN KHURSHEED: I said initially that whatever commitments and understanding had been made in the presence of the Prime Minister will, in letter and spirit, be fully implemented. If need be, I will speak to Mr. Chidambaram personally on telephone and ensure that whatever commitments have been made by him will be implemented immdiately.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): You should look into them because you are not speaking for Mr. Chidambaram, but for the whole Government.

SHRI SALMAN KHURSHEED: Definitely, Sir. There is one more point which I would like to make. One point that has been raised is about grading. The receipt was shown earlier in the House as well. We have investigated this. There is a genuine mistake in this receipt. We have already taken steps to ensure that the grading is correct. The price that has been given is wrong and the correct price has to be given and whatever information is to be provided should be provided. If there are any similar mistakes, we will look into them. Sir, about the point whether any sales are taking place outside the purview of the auction platforms and outside the purview of the Board, we will also look at any complaints that are given to us very seriously.

Sir, I once again thank all the hon. Members for the concern that they have shown for the tobacco growers and the co-operation that they have shown to the Commerce Ministry.

DISCUSSION ON THE WORKING OF THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION—Contd.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Now, we will proceed with the remaining discussion on the Civil Supplies. Out of the list, I see three speakers sitting here. I do not know whether they want to say anything. If the Members co-operate, I can call upon the Minister to reply. Mr. Mohanty, do you want to speak?

SHRI SARADA MOHANTY (Orissa): I want to speak.

DR. YELMANCHILI SIVAJI: (Andhra Pradesh): We will discuss it tomorrow.